

2011 Adopted Financial Plan - Drainage and Wastewater Fund 44010 *

| Amounts in \$1,000s | 2009 Actuals | 2010 Adopted | 2010 Revised | 2011 Adopted | 2012 Endorsed | 2013 Projected | 2014 Projected |
|---|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| OPERATING CASH | | | | | | | |
| Revised Beginning Operating Cash Balance | 20,760 | 9,300 | 23,525 | 12,601 | 10,421 | 10,304 | 10,277 |
| Sources | | | | | | | |
| Wastewater Utility Services | 185,549 | 184,057 | 184,952 | 210,512 | 215,609 | 217,302 | 218,354 |
| Drainage Utility Services | 58,136 | 59,229 | 59,028 | 67,129 | 74,764 | 79,188 | 89,407 |
| Side Sewer Permit Fees | 862 | 1,160 | 862 | 862 | 862 | 862 | 862 |
| Drainage Permit Fees | 197 | 415 | 197 | 197 | 197 | 197 | 197 |
| Other Operating Revenues | 152 | 97 | 156 | 160 | 163 | 168 | 174 |
| GIS CGDB Corporate Support (N2408 and N2418) | 788 | 788 | 788 | 1,148 | 1,171 | 1,195 | 1,219 |
| GIS Maps & Publications (N2409 and 2419) | 158 | 158 | 158 | 158 | 158 | 158 | 158 |
| Parks & Other City Depts. (N4405) | 1,126 | 1,126 | 1,126 | 502 | 511 | 521 | 532 |
| SCL Fund (N4403) | 235 | 235 | 235 | 338 | 339 | 428 | 436 |
| SDOT Fund (N4404) | 3,693 | 3,693 | 3,693 | 1,630 | 1,671 | 1,704 | 1,738 |
| GF - Various GIS & Eng Svcs (N4303 & N2418) | 662 | 1,089 | 1,089 | 881 | 905 | 999 | 1,019 |
| Investment Income (see Construction Fund) | - | - | - | - | - | - | - |
| Other Non Operating Revenue | 242 | - | - | - | - | - | - |
| Capital Grants & Contributions (excl. donated assets) | 4,775 | 5,580 | 3,173 | 4,923 | 3,073 | 3,073 | 3,073 |
| Operating Grants | 300 | 310 | 300 | 300 | 300 | 300 | 300 |
| Call Center Reimbursement from SCL | 1,605 | 1,772 | 1,772 | 1,676 | 1,689 | 1,723 | 1,757 |
| GF - Transfer In -- Restore Our Waters | 103 | 107 | 107 | 184 | 188 | 191 | 195 |
| Transfer from Construction Fund | 38,177 | 59,093 | 55,847 | 57,419 | 63,425 | 65,700 | 66,803 |
| GF Reimbursement of Abandoned Vehicles | 52 | 51 | 51 | 52 | 53 | 55 | 56 |
| Technical Adjustments | - | - | - | 960 | 991 | 1,021 | 1,052 |
| Total Sources | 296,812 | 318,959 | 313,534 | 349,032 | 366,068 | 374,784 | 387,331 |
| Uses | | | | | | | |
| CIP | | | | | | | |
| Combined Sewer Overflow | 0 | (24,172) | (25,171) | (17,807) | (25,770) | (38,408) | (33,017) |
| Control Structures | (17,123) | 0 | 0 | 0 | 0 | 0 | 0 |
| Flooding, Sewer Back-up, and Landslides | 0 | (25,054) | (25,199) | (35,070) | (23,241) | (17,635) | (18,810) |
| Landslide Mitigation & Special Programs | (714) | 0 | 0 | 0 | 0 | 0 | 0 |
| Low Impact Development | (946) | 0 | 0 | 0 | 0 | 0 | 0 |
| Protection of Beneficial Uses | (931) | (4,757) | (4,757) | (2,283) | (6,040) | (2,876) | (2,490) |
| Rehabilitation | 0 | (6,484) | (6,484) | (6,472) | (10,526) | (12,649) | (13,683) |
| Sediments | (3,344) | (2,732) | (2,732) | (6,350) | (5,385) | (1,460) | (933) |
| Shared Cost Projects | (7,983) | (16,206) | (16,288) | (11,804) | (16,660) | (17,787) | (21,712) |
| Stormwater & Flood Control | (10,015) | 0 | 0 | 0 | 0 | 0 | 0 |
| Technology | (2,303) | (4,045) | (4,091) | (4,062) | (5,001) | (7,664) | (8,425) |
| Wastewater Conveyance | (7,543) | 0 | 0 | 0 | 0 | 0 | 0 |
| CIP Subtotal | (50,903) | (83,449) | (84,723) | (83,848) | (92,624) | (98,479) | (99,069) |
| Accomplishment Rate Adjustment | | | 8,472 | 8,385 | 9,262 | 9,848 | 9,907 |
| O&M | | | | | | | |
| General Expense | (188,179) | (191,882) | (191,914) | (215,411) | (219,736) | (223,517) | (227,382) |
| Administration | (3,493) | (1,942) | (2,008) | (3,102) | (2,785) | (3,032) | (3,314) |
| Customer Service | (6,334) | (7,174) | (7,174) | (7,090) | (7,027) | (7,191) | (7,360) |
| Other Operating | (40,111) | (46,280) | (46,453) | (49,113) | (49,774) | (50,890) | (52,032) |
| O&M Subtotal | (238,118) | (247,279) | (247,549) | (274,716) | (279,321) | (284,631) | (290,089) |
| Total Uses | (289,020) | (330,728) | (323,800) | (350,179) | (362,683) | (373,262) | (379,251) |
| Adjustments | (5,027) | 12,348 | (659) | (1,032) | (3,502) | (1,549) | (8,141) |
| Ending Operating Cash Balance | 23,525 | 9,880 | 12,601 | 10,421 | 10,304 | 10,277 | 10,215 |

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|--|---------------------|-----------------|-----------------|-----------------|-----------------|------------------|-------------------|-------------------|
| CONSTRUCTION FUND | | | | | | | | |
| Beginning Construction Fund Balance | | 41,693 | N/A | 116,140 | 62,031 | 5,397 | 34,964 | 75,716 |
| Bond Proceeds | | 112,113 | 0 | 0 | 0 | 91,365 | 104,724 | 0 |
| Transfers to Operating Fund | | (38,177) | (59,093) | (55,847) | (57,419) | (63,425) | (65,700) | (66,803) |
| Interest | | 511 | 1,871 | 1,738 | 784 | 1,628 | 1,728 | 1,640 |
| Ending Construction Fund Balance | | 116,140 | N/A | 62,031 | 5,397 | 34,964 | 75,716 | 10,553 |
| RESERVES | | | | | | | | |
| Bond Reserve Account | | (12,757) | (5,340) | (12,757) | (12,757) | (19,028) | (26,217) | (32,500) |
| Bond Parity Fund | | (3,389) | (1,705) | (1,620) | (1,620) | (1,620) | (1,620) | (1,620) |
| Construction Loan Fund Cash | | 0 | (1,725) | 0 | 0 | 0 | 0 | 0 |
| Vendor Deposits | | (713) | (745) | (745) | 0 | 0 | 0 | 0 |
| Total Reserves | | (16,859) | (9,515) | (15,122) | (14,377) | (20,648) | (27,837) | (34,120) |
| FINANCIAL PERFORMANCE THROUGH END OF RATE PERIOD (2012) | | | | | | | | |
| Percent Increase (SYSTEM) | | | | | | | | |
| Wastewater | | 14.7% | N/A | 1.0% | 4.1% | 4.2% | | |
| Drainage | | 14.6% | N/A | 1.9% | 13.1% | 11.2% | | |
| Typical Retail Single Family Residential | | | | | | | | |
| Wastewater | | | | | | | | |
| Average Monthly Bill | | \$46.23 | N/A | \$46.70 | \$53.46 | \$55.54 | | |
| Percent Increase | | 14.7% | N/A | 1.0% | 14.5% | 3.9% | | |
| Drainage | | | | | | | | |
| Average Monthly Bill | | \$16.85 | N/A | \$17.17 | \$19.58 | \$21.81 | | |
| Percent Increase | | 12.8% | N/A | 1.9% | 14.0% | 11.4% | | |
| <u>Target</u> | | | | | | | | |
| Net Income | Generally positive | \$9,362 | N/A | \$5,035 | \$11,282 | \$14,514 | | |
| Year End Cash Balance | 1/12 Treatment Cost | \$23,525 | N/A | \$12,601 | \$10,421 | \$10,304 | | |
| | Target | \$9,281 | N/A | \$9,260 | \$10,421 | \$10,304 | | |
| Cash Financing of CIP | | | | | | | | |
| 25% (4 year rolling avg) | | 25% | N/A | 25% | 25% | 25% | | |
| Debt Service Coverage | | | | | | | | |
| 1.80 | | 2.23 | N/A | 2.49 | 2.84 | 2.95 | | |
| Debt to Asset Ratio | | | | | | | | |
| Less than 70% | | 62% | N/A | 63% | 61% | 64% | | |

* This financial plan includes the increase in King County's sewer treatment costs that was passed through to City of Seattle customers in the 2011 Adopted and 2012 Endorsed Budget. The body of the 2011-2012 Drainage and Wastewater Rate Study did not include the King County rate increase, the impacts of which are reflected in Appendices A&B of the Rate Study.